



4004

ANNUAL REPORT

OF

Name: THE MOSINEE TELEPHONE COMPANY

Principal Office: 410 4TH ST
MOSINEE, WI 54455-1110

For the Year Ended: DECEMBER 31, 1997

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 267-9504

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used, however please show the exact name of the respondent in full on the "Identification and Ownership" page.
3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
5. Please report all dollar amounts to the nearest whole dollar.
6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the notes to the income statement or the balance sheet, which describes the nature and extent of work performed.
9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

SIGNATURE PAGE

I MARY KNOEDLER of
(Person responsible for accounts)

THE MOSINEE TELEPHONE COMPANY, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

MARY KNOEDLER 04/24/1998
(Person responsible for accounts) (Date)

PRESIDENT
(Title)

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Access Line	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
Analog Signal	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
Cellular System	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
Central Office	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
Centrex	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
Channel	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
Customer	A person who uses a telephone as a subscriber.
Digital Signal	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
Equal Access	The ability of the subscriber to use any long distance service by dialing the same number of digits.
Exchange	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
Extended Area Service (EAS)	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
Extended Community Calling (ECC)	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
Feature Group A	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Feature Group B	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
Feature Group C	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
Feature Group D	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
FX-IN	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
FX-OUT	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
Host Switching System	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
Local Access Transport Area (LATA)	A geographic area within which an operating company may offer its telecommunications services.
Mobile Telephone	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
Paging	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
Pair	Two wires of a single circuit.
Pay Station	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
Private Line Service	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
Private Branch Exchange (PBX)	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
Radio Common Carrier (RCC)	A company which furnishes public telecommunications service using one or more radio channels.
Remote Switching Unit (RSU)	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none">1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.2. One mile of a cross country route with any combination of outside plant facilities.3. One mile of point-to-point microwave or radio link.4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.5. One mile of joint use line where the utility either owns the facility or leases space.
Stand Alone Switch	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
Trunk	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
Wide Area Telephone Service (WATS)	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
Wire Center	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

ABBREVIATIONS USED IN ANNUAL REPORTS

Acct	.....	Account
Accum	.....	Accumulated
Acq	.....	Acquisition
Admin	.....	Administrative
Alloc	.....	Allocation
Amort	.....	Amortization
CO	.....	Central Office
Depr	.....	Depreciation
Equip	.....	Equipment
Exp	.....	Expenses
EOY	.....	End of Year
FOY	.....	First of Year
Info	.....	Information
ITC	.....	Investment Tax Credit
Misc	.....	Miscellaneous
Nonoper	.....	Nonoperating
Nonreg	.....	Nonregulated
Oper	.....	Operating
Opns	.....	Operations
Orig	.....	Originating
Prop	.....	Property
Receiv	.....	Receivable
Reg	.....	Regulated
Rev	.....	Revenues
Svcs	.....	Services
Telecom	.....	Telecommunications
Term	.....	Terminating
TPIS	.....	Telecommunications Plant in Service
TPUC	.....	Telecommunications Plant Under Construction
Uncoll	.....	Uncollectible

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: THE MOSINEE TELEPHONE COMPANY
Utility Location: 410 4TH ST
MOSINEE, WI 54455-1110

Utility Web Site Address:

When was utility organized?: 01/01/1908

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MS MARY KNOEDLER
Title: PRESIDENT

Office Address: 410 4TH STREET
MOSINEE, WI 54455

Fax Number: (715) 693 - 5130
Telephone Number: (715) 693 - 2622
Email Address:

Individual or firm, if other than utility employee, preparing this report

Name: KIESLING ASSOCIATES LLP
Title: ACCOUNTING FIRM
Firm: KIESLING ASSOCIATES LLP
Office Address: 6401 ODANA ROAD
MADISON, WI 53719

Fax Number: (608) 273 - 2383
Telephone Number: (608) 273 - 2315
Email Address:

Person responsible for financial information contained in report

Name: MS MARY KNOEDLER
Title: PRESIDENT

Office Address: 410 4TH STREET
MOSINEE, WI 54455

Fax Number: (715) 693 - 5130
Telephone Number: (715) 693 - 2622
Email Address:

Person responsible for statistical information contained in report

Name: MS MARY KNOEDLER
Title: PRESIDENT

Office Address: 410 4TH STREET
MOSINEE, WI 54455

Fax Number: (715) 693 - 5130
Telephone Number: (715) 693 - 2622
Email Address:

IDENTIFICATION AND OWNERSHIP

List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

Name: MARGARET KNOEDLER
Address: PO BOX 189
MOSINEE, WI 54455

Number of Shares Held: 74
Beneficial Owner: NONE

Name: MARY KNOEDLER
Address: PO BOX 189
MOSINEE, WI 54455

Number of Shares Held: 96
Beneficial Owner: NONE

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	3,277,222	2,904,071	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	532,536	461,558	2
Plant Nonspecific Operations Expense	644,296	584,484	3
Customer Operations Expense (6610-6620)	393,618	388,045	4
Corporate Operations Expense (6710-6790)	419,471	417,344	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	559,281	456,834	7
Total Operating Expenses	2,549,202	2,308,265	8
Net Operating Income	728,020	595,806	9
Other Income			
Nonoperating Income and Expense (7300)	88,943	85,691	10
Nonoperating Taxes (7400)	20,430	23,029	11
Interest and Related Items (7500)	197,935	194,374	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	(5,675)	(246)	14
Total Nonoperating Income	(135,097)	(131,958)	15
Net Income	592,923	463,848	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

-
1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

The accounting policies of the Company conform to generally accepted accounting principles. Management uses estimates and assumptions in preparing its financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Telephone operations reflect practices appropriate to the telephone industry. The accounting records of the company are maintained in accordance with Uniform System of Accounts for Class A and B Telephone Companies prescribed by the Federal Communications Commission as modified by the Public Service Commission of Wisconsin (PSCW).

A. Property and Equipment

Telephone plant is capitalized at original cost, including the capitalized cost of salaries and wages, materials, certain payroll taxes, and employee benefits.

The Company provides for depreciation for financial reporting purposes on the straight-line method by the application of rates, based on the estimated service lives of the various classes of depreciable property.

Renewals and betterments of units of property are charged to telephone plant in service. When telephone plant is retired, its cost is removed from the asset account and charged against accumulated depreciation, together with removal cost less any salvage realized. No gains or losses are recognized in connection with routine retirements of depreciable property. Repairs and renewals of minor items of property are included in plant specific operations expense.

B. Income taxes

Income taxes are accounted for using a liability method and provide for the tax effects of transactions reported in the financial statements including both taxes currently due and deferred. Deferred taxes are adjusted to reflect deferred tax consequences at current enacted tax rates. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities include the difference between carrying amounts of depreciable assets and partnership investment basis. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled.

Investment tax credits (ITC) which were deferred prior to the Tax Reform Act of 1986 are being amortized over the regulatory life of the plant which produced the ITC

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

which produced the ITC.

C. Revenue Recognition

Revenues are recognized when earned regardless of the period in which they are billed.

Revenues relating to the provision of access services to customers are derived, in part, from tariffed access charges to toll service providers (interexchange carriers), and in part from sharing in interstate and intrastate pools. Interstate revenues are determined in accordance with nationwide average cost schedules.

The Company is compensated for intrastate access under access charge procedures based on expense and plant investment levels, as determined by the Company and approved by the PSCW.

D. Cash Equivalents

All highly liquid investments purchased with a maturity of one year or less are considered cash equivalents.

E. Investments

Non-marketable equity investments and temporary investments are stated at cost.

-
2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

None.

-
3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

The mortgage to the United States of America, underlying the RUS and RTB notes, contains certain restrictions on the declaration of payment of cash dividends, redemption of capital stock, or investment in affiliated companies. As of December 31, 1997, the maximum amount which could be distributed in accordance with these restrictions was \$1,100,000, except as might be specifically authorized in writing in advance by the RUS and RTB noteholders.

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	2,553,631	1,715,166	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
TOTAL CASH AND EQUIVALENTS	2,553,631	1,715,166	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	255,582	240,324	6
Accounts Receivable Allowance-Telecom (1181)*	0	0	7
Net: Telecommunications Accounts Receivable	255,582	240,324	
Other Accounts Receivable (1190)*	238,177	222,924	8
Accounts Receivable Allowance--Other (1191)*	0	0	9
Net: Other Accounts Receivable	238,177	222,924	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	11,986	7,695	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	505,745	470,943	
SUPPLIES			
Inventories (1220)*	8,170	7,093	13
TOTAL SUPPLIES	8,170	7,093	
PREPAYMENTS			
Total Prepayments (1280)*	0	0	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
TOTAL PREPAYMENTS	0	0	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	6,597	15,524	20
TOTAL OTHER CURRENT ASSETS	6,597	15,524	
TOTAL CURRENT ASSETS	3,074,143	2,208,726	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0	0	21
Investments in Nonaffiliated Companies (1402)*	93,250	10,750	22
Nonregulated Investments (1406)*	79,957	55,842	23
Unamortized Debt Issuance Expense (1407)*	14,080	14,772	24
Sinking Funds (1408)*	0	0	25

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*	0	0	26
TOTAL INVESTMENTS	187,287	81,364	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*	0	82,500	29
TOTAL DEFERRED CHARGES	0	82,500	
TOTAL NONCURRENT ASSETS	187,287	163,864	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	10,493,443	10,044,297	30
Less: Accumulated Depreciation (3100)*	5,184,023	4,611,440	31
Less: Accumulated Amortization--Capitalized Leases (3410)*	0	0	32
Less: Accumulated Amortization--Leasehold Improvements (3420)*	0	0	33
Less: Accumulated Amortization--Intangible (3500)*	0	0	34
NET TELECOMMUNICATIONS PLANT IN SERVICE	5,309,420	5,432,857	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*	0	0	35
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*	0	0	36
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*	0	0	37
Less: Accumulated Depreciation--Nonoperating (3300)*	0	0	38
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	0	0	39
TOTAL TPUC	0	0	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*	(236,323)	(236,323)	40
Less: Accumulated Amortization--Other (3600)*	(171,332)	(147,700)	41
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	(64,991)	(88,623)	
TOTAL PLANT	5,244,429	5,344,234	
TOTAL ASSETS AND OTHER DEBITS*	8,505,859	7,716,824	

BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	165,564	176,407	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*	3,775	(1,076)	3
Customer Deposits (4040)*	3,875	3,875	4
Current Maturities--Long-Term Debt (4050)*	165,400	154,900	5
Current Maturities--Capital Leases (4060)*	0	0	6
Income Taxes--Accrued (4070)*	68,143	(65,788)	7
Other Taxes--Accrued (4080)*	(17,445)	(34,169)	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*	0	0	10
Other Accrued Liabilities (4120)*	8,143	8,544	11
Other Current Liabilities (4130)*	0	0	12
TOTAL CURRENT LIABILITIES*	397,455	242,693	
LONG-TERM DEBT			
Funded Debt (4210)*	4,246,335	4,035,707	13
Premium on Long-Term Debt (4220)*	0	0	14
Discount on Long-Term Debt (4230)*	0	0	15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*	0	0	17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	0	0	19
TOTAL LONG-TERM DEBT*	4,246,335	4,035,707	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	80,909	47,056	20
Unamortized Operating ITC--Net (4320)*	0	5,183	21
Unamortized Nonoperating ITC--Net (4330)*	0	0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	363,642	337,463	23
Net Deferred Tax Liability Adjustments (4341)*	0	(3,580)	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	(5,624)	(13,678)	25
Other Deferred Credits (4360)*	0	0	26
Deferred Tax Regulatory Liability (4361)*	0	3,881	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	438,927	376,325	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	25,000	25,000	28
Additional Paid-in Capital (4520)*	0	0	29
Treasury Stock (4530)*	528,000	528,000	30
Other Capital (4540)*	0	0	31
Retained Earnings (4550)*	3,926,142	3,565,099	32
TOTAL STOCKHOLDERS' EQUITY*	3,423,142	3,062,099	
TOTAL LIABILITIES AND OTHER CREDITS*	8,505,859	7,716,824	

STATEMENT OF CASH FLOWS

Item (a)	Amount (b)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	592,923	1
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and amortization	576,703	2
Interest during construction	0	3
Changes in assets and liabilities:		
Current assets (net)	(26,952)	4
Other noncurrent assets	81,808	5
Other current liabilities	144,262	6
Other liabilities and deferred credits	62,602	7
Other (specify):		
TOTAL ADJUSTMENTS	838,423	
NET CASH PROVIDED BY OPERATING ACTIVITIES (NET INCOME & ADJUST.)	1,431,346	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures:		
Changes in plant (net)	(476,898)	8
Investments in affiliated companies	0	9
Nonoperating Investments	(106,615)	10
Other (specify):		
NET CASH USING IN INVESTING ACTIVITIES	(583,513)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in capital lease obligations (net)	0	11
Change in long-term debt (net)	222,512	12
Net changes in stockholder equity other than retained earnings	0	13
Change in short term borrowing (net)	0	14
Dividends paid	(231,880)	15
Miscellaneous debits/credits to retained earnings	0	16
Other (specify):		
Net Cash Provided by Financing Activities	(9,368)	
NET INCREASE IN CASH AND CASH EQUIVALENTS	838,465	
Cash and cash equivalents at beginning of year (Accts. 1130-1160 for Class A; 1120 for Class B)		
Cash and cash equivalents at end of year (Accts. 1130-1160 for Class A; 1120 for Class B)		

IMPORTANT CHANGES DURING THE YEAR

1. Give the name and address of all companies which during the year came under the direct control of the respondent otherwise than through title to securities, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

None .

2. Give the name and address of all companies which during the year came under the indirect control of the respondent through non-reporting intermediaries, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, the name and address of the intermediary through which the indirect control exists, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

None .

3. Important leaseholds acquired, given, assigned or surrendered, giving effective dates, lengths of terms, names of parties, rents, and other conditions.

None .

4. List extension of system (other than additions supplementing existing facilities of the respondent) whether by purchase, construction, donation, or otherwise, such as a substantially complete telephone system, exchange or toll line. Give the location, new territory covered, and dates of beginning operation, and in case of purchase give also the name and address of the company from which purchased, date of acquisition, the consideration given, and reference to Commission authorization.

None .

5. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

None .

6. Obligation incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, excluding ordinary commercial paper maturing on demand or not later than one year after date of issue.

None .

7. Changes in articles of incorporation or amendments to charter.

None .

IMPORTANT CHANGES DURING THE YEAR

8. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

During 1997 the Public Service Commission of Wisconsin (PSCW) allowed for the deregulation of public payphones.

Per utility 10/14/98 response CR#08371, public telephone equipment was transferred from a/c 2351 to a/c 1406.105 in April 1997 as follows:
Debit 1406.105 for \$14,366/Credit a/c 2351 for \$12,992 and a/c 2351.1 for \$1374.

Debit a/c 31-2351 for \$12,992 and a/c 31-2351.1 for \$1,374/Credit a/c 1406.115 for \$14366.

Debit a/c 4350.11 for \$186 and a/c 4350.22 for \$50/Credit a/c 4340.1 for \$186 and a/c 4340.2 for \$50

entered 12/7/99 ele

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

**Name of Affiliate
(a)**

**Abbreviations
(b)**

NONE

1

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing and categorize billings according to the account categories shown below.

Particulars	(a)	(b)	(c)	(d)	(e)
NONE					
Docket					
Name of Affiliate					1
Designate whether billed to or from:					2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)					3
Revenues					4
Expenses:					
Plant Specific Operations Expense					5
Plant Nonspecific Operations Expense					6
Customer Operations Expense					7
Corporate Operations Expense					8
Total Operating Expenses	0	0	0	0	9
Other:					
Plant Accounts					10
Accumulated Depreciation					11
Accumulated Amortization					12
Clearing					13
All Other					14
Total	0	0	0	0	15
Percent of affiliate's business billed to all affiliated regulated utilities					16
If cost based, rate of return on equity or markup incorporated in billings					17
Footnotes					

AFFILIATED ASSETS AND LIABILITIES

This schedule should be used to report affiliated activity concerning balances at the end of the year for the following accounts: 1120, Cash and Equivalents; 1160, Temporary Investments; 1180, Telecommunications Accounts Receivable; 1190, Other Accounts Receivable; 1210, Interest and Dividends Receivable; 1401, Investment in Affiliated Companies; 4010, Accounts Payable; and 4260, Advances from Affiliated Companies. Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. Report information below consecutively by respective account number; affiliated amounts of less than \$5,000 may be reported in aggregate as "other" for a particular account. Affiliated amounts recorded in accounts 1200, Notes Receivable, 1408, Sinking Funds, and 4020, Notes Payable, should not be reported in this schedule, but rather in the respective schedules contained elsewhere in this report.

Name of Affiliate (a)	Account Number (b)	Balance EOY (c)
----------------------------------	-----------------------------------	--------------------------------

NONE

1

ACCOUNTS RECEIVABLE NET WRITE OFFS - TELECOMMUNICATIONS

This schedule should be used to report accounts receivable net write off activity.

Particulars (a)	Amount (b)	
Collection of amounts previously written off		1
Uncollectibles written off during the year		2
Net write offs during the year	0	

NOTES RECEIVABLE (ACCT. 1200) AND ALLOWANCES (ACCT. 1201)

For affiliates, list by issue or note by affiliate. Other, list by issue or note by entity. Separately identify economic development loans and associated particulars.

Name of Maker and purpose (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Amount EOY (e)	Allowance Acct. 1201 (f)
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NONE

Total				<u><u>0</u></u>	<u><u>0</u></u>	1
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INVESTMENTS IN NONAFFILIATED COMPANIES (ACCT. 1402)

Name (a)	Balance EOY (b)	
RTB Class B Stock	8,750	1
Other:		
RTB Class C Stock	1,000	2
Comsat Stock	1,000	3
Metro Southwest PCS	82,500	4
Total Investments in Nonaffiliated Companies	93,250	

NONREGULATED INVESTMENTS (ACCT. 1406)

Report below the name and end-of-year balance of total net investment and inventory (accts. 1406.10, 1406.11 and 1406.12) for each nonregulated activity. Telephone utilities not subject to dual jurisdiction should report materials and supplies held for resale in account 1406.

Name (a)	Balance EOY (b)	
Total Net Investment and Inventory (Accts. 1406.10, 1406.11, and 1406.12):		
MPC - Leased Equipment	63,872	1
Station Apparatus	244,586	2
Internet Equipment	31,424	3
Public Payphones	14,366	4
Depreciation Reserve	(274,291)	5

DEFERRED MAINTENANCE AND RETIREMENTS (ACCT. 1438)

List items individually by Commission approval noting the date of approval.

Description of Item (a)	Balance EOY (b)
NONE	
Total	0

1

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	80,552		1
Motor Vehicles	2112	108,452		2
Aircraft	2113			3
Special Purpose Vehicles	2114			4
Garage Work Equipment	2115			5
Other Work Equipment	2116	101,256		6
Buildings	2121	564,167		7
Furniture	2122	81,920		8
Office Equipment	2123	22,181	5,743	9
General Purpose Computers	2124	30,604	2,531	10
TOTAL--GENERAL SUPPORT ASSETS:		989,132	8,274	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	2,583,057	45,870	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	228,209	66,560	16
TOTAL--CENTRAL OFFICE ASSETS:		2,811,266	112,430	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	14,366		20 A
Other Terminal Equipment	2362	4,178		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		18,544	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	40,421	198	22
Aerial Cable	2421	141,851	1,273	23
Underground Cable	2422	479,414	53,075	24
Buried Cable	2423	4,914,330	299,411	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	5,599	523	29
Conduit Systems	2441	643,740		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		6,225,355	354,480	
AMORTIZABLE ASSETS				
Capital Leases	2681	0		31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			80,552	1
2112			108,452	2
2113			0	3
2114			0	4
2115			0	5
2116			101,256	6
2121			564,167	7
2122			81,920	8
2123	4,957	0	22,967	9
2124			33,135	10
	4,957	0	992,449	
2211			0	11
2212	0	0	2,628,927	12
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	0	0	294,769	16
	0	0	2,923,696	
2311			0	17
2321			0	18
2341			0	19
2351		(14,366)	0	20 A
2362			4,178	21
	0	(14,366)	4,178	
2411	549		40,070	22
2421	2,074	0	141,050	23
2422	0	0	532,489	24
2423	4,092	0	5,209,649	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			6,122	29
2441			643,740	30
	6,715	0	6,573,120	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)
AMORTIZABLE ASSETS			
Leasehold Improvements	2682	0	32
Intangibles	2690	0	33
TOTAL--AMORTIZABLE ASSETS:		0	0
TOTAL TELECOM. PLANT IN SERVICE	2001	10,044,297	475,184
Less: Allocation to Nonregulated Activity - EOY	2001		34
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	2001		

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682			0	32
2690			0	33
	0	0	0	
	11,672	(14,366)	10,493,443	
2001			0	34
			10,493,443	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	17,224		1
Company Communications Equipment	2123.2	4,957	5,743	2
Software	2212.1			3
Digital Switching - Central Office	2212.2	2,583,057	45,870	4
Digital Switching - Remote	2212.3			5
Step by Step Switching	2215.1			6
Crossbar Switching	2215.2			7
Satellite and Earth Station Facilities	2231.1			8
Other Radio Facilities	2231.2			9
Digital Circuit Equipment	2232.1	228,209	66,560	10
Analog Circuit Equipment	2232.2			11
Light Wave Circuit Equipment	2232.3			12
Aerial Cable - Nonmetallic	2421.1			13
Aerial Cable - Metallic	2421.2	141,851	1,273	14
Underground Cable - Nonmetallic	2422.1	105,194	53,075	15
Underground Cable - Metallic	2422.2	374,220		16
Buried Cable - Nonmetallic	2423.1	467,414	16,218	17
Buried Cable - Metallic	2423.2	4,446,916	283,193	18
Submarine Cable - Nonmetallic	2424.1			19
Submarine Cable - Metallic	2424.2			20
Intrabuilding Cable - Nonmetallic	2426.1			21
Intrabuilding Cable - Metallic	2426.2			22

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS) **(cont.)**

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1			17,224	1
2123.2	4,957		5,743	2
2212.1			0	3
2212.2			2,628,927	4
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1			294,769	10
2232.2			0	11
2232.3			0	12
2421.1			0	13
2421.2	2,074		141,050	14
2422.1			158,269	15
2422.2			374,220	16
2423.1			483,632	17
2423.2	4,092		4,726,017	18
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
GENERAL SUPPORT ASSETS					
Motor Vehicles	2112	74,509		11,520	1
Aircraft	2113				2
Special Purpose Vehicles	2114				3
Garage Work Equipment	2115				4
Other Work Equipment	2116	90,230		5,692	5
Buildings	2121	207,030	2.56	14,292	6
Furniture	2122	48,191	7.14	5,849	7
Office Equipment	2123	22,181	20.0	1,070	8
General Purpose Computers	2124	28,011	25.0	5,124	9
Total-- GENERAL SUPPORT ASSETS		470,152		43,547	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211				10
Digital Electronic Switching	2212	1,175,545	6.93	180,592	11
Electro-Mechanical Switching	2215				12
Operator Systems	2220				13
Radio Systems	2231				14
Circuit Equipment	2232	91,666	9.0	23,534	15
Total-- CENTRAL OFFICE ASSETS		1,267,211		204,126	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311				16
Customer Premises Wiring	2321				17
Large Private Branch Exchanges	2341				18
Public Telephone Terminal Equipment	2351	14,366	6.67		19A
Other Terminal Equipment	2362	1,880	10.0	418	20
Total-- INFORMATION ORIG/TERM ASSETS		16,246		418	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	40,421	5.56	1,262	21
Aerial Cable	2421	141,851	5.56	2,669	22
Underground Cable	2422	212,261	4.77	24,113	23c
Buried Cable	2423	2,263,588	6.4	302,282	24c
Submarine Cable	2424				25
Deep Sea Cable	2425				26
Intrabuilding Network Cable	2426				27
Aerial Wire	2431	1,164	12.5	733	28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	198,546	3.5	22,531	29
Total-- CABLE WIRE FACILITIES ASSETS		2,857,831		353,590	0
Total Accumulated Depreciation	3100	4,611,440		601,681	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100 Columns e, f and I					

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112					86,029	1
2113					0	2
2114					0	3
2115					0	4
2116					95,922	5
2121					221,322	6
2122					54,040	7
2123	4,957				18,294	8
2124					33,135	9
	4,957	0	0	0	508,742	
2211					0	10
2212	0				1,356,137	11
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0				115,200	15
	0	0	0	0	1,471,337	
2311					0	16
2321					0	17
2341					0	18
2351				(14,366)	0	19 A
2362					2,298	20
	0	0	0	(14,366)	2,298	
2411	549	1,064			40,070	21
2421	2,074	1,396			141,050	22
2422	0				236,374	23 c
2423	4,092	600			2,561,178	24 c
2424	0				0	25
2425					0	26
2426	0				0	27
2431					1,897	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					221,077	29
	6,715	3,060	0	0	3,201,646	
3100	11,672	3,060	0	(14,366)	5,184,023	
3100						30
3100						

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subacct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
Office Support Equipment	2123.1	17,224	20.0		1
Company Communications Equipment	2123.2	4,957	20.0	1,070	2
Software	2212.1				3
Digital Switching - Central Office	2212.2	1,175,545	6.7	180,592	4
Digital Switching - Remote	2212.3				5
Step by Step Switching	2215.1				6
Crossbar Switching	2215.2				7
Satellite and Earth Station Facilities	2231.1				8
Other Radio Facilities	2231.2				9
Digital Circuit Equipment	2232.1	91,666	9.0	23,534	10
Analog Circuit Equipment	2232.2				11
Light Wave Circuit Equipment	2232.3				12
Aerial Cable - Nonmetallic	2421.1				13
Aerial Cable - Metallic	2421.2	141,851	5.56	2,669	14
Underground Cable - Nonmetallic	2422.1	10,183	4.0	5,269	15
Underground Cable - Metallic	2422.2	202,078	5.0	18,844	16
Buried Cable - Nonmetallic	2423.1	51,463	4.6	21,874	17
Buried Cable - Metallic	2423.2	2,212,125	6.56	280,408	18c
Submarine Cable - Nonmetallic	2424.1				19
Submarine Cable - Metallic	2424.2				20
Intrabuilding Cable - Nonmetallic	2426.1				21
Intrabuilding Cable - Metallic	2426.2				22

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1					17,224	1
2123.2	4,957				1,070	2
2212.1					0	3
2212.2					1,356,137	4
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1					115,200	10
2232.2					0	11
2232.3					0	12
2421.1					0	13
2421.2	2,074	1,396			141,050	14
2422.1					15,452	15
2422.2					220,922	16
2423.1					73,337	17
2423.2	4,092	600			2,487,841	18 c
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)

This schedule should be used to report the deferred operating income tax portion of the stated accounts. In addition, column (e) of this schedule should be used to report the flowback of property related excess deferred taxes (e.g., 46 percent versus 34 percent federal tax rates). Credit amounts should be shown in ().

Particulars (a)	Balance FOY (b)	
PROPERTY RELATED		
Other Current Assets (1350)	0	1
Other Noncurrent Assets (1410)	0	2
Deferred Tax Regulatory Asset (1437)	0	3
Net Current Deferred Operating Income Taxes (4100)	0	4
Net Noncurrent Deferred Operating Income Taxes (4340)	(337,463)	5
Net Deferred Tax Liability Adjustments (4341)	3,580	6
Deferred Tax Regulatory Liability (4361)	(3,881)	7
Net Property Related Deferred Operating Income Taxes	(337,764)	
Less: Allocation to Nonregulated Activity	0	8
Net Regulated Total Property Related Deferred Operating Income Taxes	(337,764)	
NONPROPERTY RELATED		
Other Current Assets (1350)	15,524	9
Other Noncurrent Assets (1410)	0	10
Deferred Tax Regulatory Asset (1437)	0	11
Net Current Deferred Operating Income Taxes (4100)	0	12
Net Noncurrent Deferred Operating Income Taxes (4340)	0	13
Net Deferred Tax Liability Adjustments (4341)	0	14
Deferred Tax Regulatory Liability (4361)	0	15
Total Nonproperty Related Deferred Operating Income Taxes	15,524	

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361) (cont.)

Acct (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance EOY (g)	
7250				0	1
7250				0	2
				0	3
7250				0	4
7250	(26,179)			(363,642)	5
	(3,580)			0	6
	3,881			0	7
	(25,878)	0	0	(363,642)	8
				0	
	(25,878)	0	0	(363,642)	
7250	(8,927)			6,597	9
7250				0	10
				0	11
7250				0	12
7250				0	13
				0	14
				0	15
	(8,927)	0	0	6,597	

NOTES PAYABLE (ACCT. 4020)

For affiliate, list note by affiliate. For a particular affiliate, the identical affiliate name, as shown in the Affiliate Abbreviations schedule, should be reported in this schedule. For other, list by note by entity.

Name (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Balance EOY (e)
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NONE

Total Notes Payable	<u><u>0</u></u>	1
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LONG-TERM DEBT

Report data requested and show total for each long-term debt account at end of year. Information concerning the following debt issues may be reported on individual lines in aggregate: REA/RTB 2%, REA/RTB 5%, & REA/RTB 7%. In addition, REA/RTB and FFB debt, respectively, within a range of 200 basis points may also be reported in aggregate on individual lines. If reported in aggregate, a range of dates may be reported in columns (b) and (c) as well as a range of interest rates in column (d) and a composite interest rate in column (e). If aggregation is not utilized, column (e) should contain the same interest rate as reported in column (d). For account 4050 report only the amount of debt anticipated to be repaid in one year or less.

Description of Debt (a)	Specific or Range of Stated Dates of Issue (b)	Specific or Range of Stated Dates of Maturity (c)	Specific or Range of Interest Rates (d)	
Funded Debt (Account 4210):				
RTB 9%	11/16/1980	11/16/2015	9.0000	1
RUS 2%	02/05/1964-03/01/1972	02/05/1999-03/01/2007	2.0000	2
RUS 5%	11/06/1980-12/16/1986	11/06/2015-12/16/2021	5.0000	3
RUS 6.67%	03/01/1996	03/01/2031	6.6700	4
Total Funded Debt				

LONG-TERM DEBT (cont.)

Composite Interest Rate (e)	Held by Utility		Total Principal EOY (h)	Current Maturities Included in Acct. 4050 (i)	Total Amount Outstanding (j)	
	Reacquired Debt Acct. 4240 (f)	Sinking Funds Acct. 1408 (g)				
9.0000			150,761	3,800	154,561	1
2.0000			650,414	85,900	736,314	2
5.0000			3,066,260	73,600	3,139,860	3
6.6700			378,900	2,100	381,000	4
	0	0	4,246,335	165,400	4,411,735	

CAPITAL STOCK ACCOUNTS AT END OF YEAR

In column (a) indicate the stated dividend rate applicable to each series of preferred stock.

Class and Series (a)	Shares Authorized by Charter (b)	Par Value per Share (c)	Call Price End of Year (d)
COMMON STOCK:			
Common Stock	250	100.00	1
TOTAL COMMON STOCK	250		
TOTAL	250		

CAPITAL STOCK ACCOUNTS AT END OF YEAR (cont.)

	Acct. 4510 - Capital Stock		Acct. 4530 - Treasury Stock		
	Shares	Amount	Shares	Amount	
	(e)	(f)	(g)	(h)	
COMMON STOCK:					
Common Stock	250	25,000	80	528,000	1
	250	25,000	80	528,000	
TOTAL	250	25,000	80	528,000	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	3,565,099	3,387,871	1
Changes:			
Balance Transferred from Income	592,923	463,848	2
Dividends Declared:			
Common	231,880	286,620	3
Preferred			4
Total Dividends Declared	231,880	286,620	
Miscellaneous Debits to Retained Earnings			5
Miscellaneous Credits to Retained Earnings			6
Balance--End of Year	3,926,142	3,565,099	

DISTRIBUTION OF TAXES

1. Report hereunder the summary accounts and functions charged with taxes accrued during the year.
2. Where allocation is necessary, explain the basis used.
3. Report in a footnote the amounts and kind of taxes cleared from prepaid taxes, if any.

Summary Account/ Function Charged (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	
Operating Taxes (Accts. 7210 - 7250)	188,617	77,723	283,451	1
Nonoperating Taxes (Accts. 7410 - 7450)		4,314	16,116	2
Extraordinary Items (Accts. 7630 & 7640)				3
Nonregulated Net Income (Acct. 7990)		(779)	(2,917)	4
Clearing Accounts				5
Construction				6
Payroll Taxes: FICA				7
Payroll Taxes: State Unemployment				8
Payroll Taxes: Federal Unemployment				9
Other (specify):				
Investment Tax Credit			5,182	10
Deferred Taxes		(10,661)	(32,200)	11
TOTAL	<u>188,617</u>	<u>70,597</u>	<u>269,632</u>	

DISTRIBUTION OF TAXES (cont.)

PSC Remainder Assessment (e)	Local Property Tax (f)	State & Local Taxes Other than Wisconsin (g)	Other Taxes (h)	Payroll Taxes (i)	Total (j)	
9,490					559,281	1
					20,430	2
					0	3
					(3,696)	4
					0	5
					0	6
				54,090	54,090	7
				363	363	8
				900	900	9
					5,182	10
					(42,861)	11
<u>9,490</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>55,353</u>	<u>593,689</u>	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*	1,028,082	942,761	1
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	1,028,082	942,761	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	217,380	205,436	11
Switched Access Revenue (5082)*	768,547	715,404	12
Special Access Revenue (5083)*	51,579	71,801	13 E
TOTAL INTERSTATE ACCESS REVENUES (5080)	1,037,506	992,641	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*	0	0	14
Switched Access Revenue (5084.2)*	702,544	597,826	15
Special Access Revenue (5084.3)*	113,582	51,356	16 F
TOTAL INTRASTATE ACCESS REVENUES (5084)	816,126	649,182	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	0	0	17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	0	0	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	193,459	186,415	30
Rent Revenue (5240)*	79,450	5,247	31 D
Corporate Operations Revenue (5250)*	0	0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*	9,390	10,654	33
Special Billing Arrangements Revenue (5261)			34
Customer Operations Revenue (5262)			35
Plant Operations Revenue (5263)			36
Other Incidental Regulated Revenue (5264)			37
Other Revenue Settlements (5269)			38
Total Miscellaneous Revenue (5260)	9,390	10,654	
Interstate Billing and Collection Revenue*	44,307	45,201	39
Intrastate Billing and Collection Revenue*	73,859	78,308	40
Total Carrier Billing and Collection Revenue (5270)*	118,166	123,509	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	400,465	325,825	
GROSS OPERATING REVENUES	3,282,179	2,910,409	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	4,957	6,338	42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	4,957	6,338	
TOTAL OPERATING REVENUES	3,277,222	2,904,071	

** Account 5280 is to be used only by those companies subject to dual jurisdiction.

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
PLANT SPECIFIC OPERATIONS EXPENSE				
Total Network Support Expense (6110)	0	0		1
Less: Nonregulated		0		2
Net Regulated	0	0	0	3
Total General Support Expense (6120)	68,705	84,069	16,933	4
Less: Nonregulated		0		5 B
Net Regulated	68,705	84,069	16,933	6
Total Central Office Switching Expense (6210)	167,845	194,693	107,606	7
Less: Nonregulated		0		8
Net Regulated	167,845	194,693	107,606	9
Total Operator Systems Expense (6220)	0	0		10
Less: Nonregulated		0		11
Net Regulated	0	0	0	12
Total Central Office Transmission Expenses (6230)	1,965	4,822	2,705	13
Less: Nonregulated		0		14
Net Regulated	1,965	4,822	2,705	15
Total Information Orig. / Term. Expense (6310)	1,741	284	219	16
Less: Nonregulated		0		17
Net Regulated	1,741	284	219	18
Total Cable and Wire Fac. Expense (6410)	221,302	248,668	111,362	19
Less: Nonregulated		0		20
Net Regulated	221,302	248,668	111,362	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	461,558	532,536	238,825	
Less: Nonregulated	0	0	0	
Net Regulated	461,558	532,536	238,825	
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	0	0	0	22
Less: Nonregulated		0		23
Net Regulated	0	0	0	24
Total Network Operations Expense (6530)	56,752	67,593	45,394	25
Less: Nonregulated		0		26
Net Regulated	56,752	67,593	45,394	27
Access Expense (6540)	0	0		28
Less: Nonregulated		0		29
Net Regulated	0	0	0	30
Total Depreciation and Amortization Expense (6560)	527,732	576,703		31
Less: Nonregulated		0		32
Net Regulated	527,732	576,703		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	584,484	644,296	45,394	
Less: Nonregulated	0	0	0	
Net Regulated	584,484	644,296	45,394	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110			20,690	(20,690)	1
	0	0	20,690	(20,690)	2
					3
6120	3,204	12,600	50,199	1,133	4
	3,204	12,600	50,199	1,133	5 B
					6
6210	34,713		52,374		7
	34,713	0	52,374	0	8
					9
6220					10
	0	0	0	0	11
					12
6230	893		1,034	190	13
	893	0	1,034	190	14
					15
6310	50			15	16
	50	0	0	15	17
					18
6410	31,084		93,029	13,193	19
	31,084	0	93,029	13,193	20
					21
	69,944	12,600	217,326	(6,159)	
	0	0	0	0	
	69,944	12,600	217,326	(6,159)	
6510	0	0	0	0	22
					23
	0		0	0	24
6530	15,118		7,081		25
	15,118	0	7,081	0	26
					27
6540					28
	0	0	0	0	29
					30
6560			576,703		31
					32
			576,703		33
	15,118	0	583,784	0	
	0	0	0	0	
	15,118	0	583,784	0	

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
CUSTOMER OPERATIONS EXPENSE				
Total Marketing (6610)	0	0		34
Less: Nonregulated		0		35
Net Regulated	0	0	0	36
Total Services (6620)	388,045	393,618	121,459	37
Less: Nonregulated		0		38
Net Regulated	388,045	393,618	121,459	39
TOTAL CUSTOMER OPERATIONS EXPENSE	388,045	393,618	121,459	
Less: Nonregulated	0	0	0	
Net Regulated	388,045	393,618	121,459	
CORPORATE OPERATIONS EXPENSE				
Total Exec. and Planning (6710)	250,421	264,929	210,000	40
Less: Nonregulated		0		41
Net Regulated	250,421	264,929	210,000	42
Total General and Administrative (6720)	166,923	154,542	71,934	43
Less: Nonregulated		0		44
Net Regulated	166,923	154,542	71,934	45
Provision for Uncollectible Notes Receiv. (6790)		0		46
Less: Nonregulated		0		47
Net Regulated	0	0		48
TOTAL CORPORATE OPERATIONS EXPENSE	417,344	419,471	281,934	
Less: Nonregulated	0	0	0	
Net Regulated	417,344	419,471	281,934	
TOTAL EXPENSES	1,851,431	1,989,921	687,612	
Less: Nonregulated	0	0	0	
Net Regulated	1,851,431	1,989,921	687,612	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610					34
	0	0	0	0	35
					36
6620	25,005		247,154		37
					38
	25,005		247,154	0	39
	25,005	0	247,154	0	
	0	0	0	0	
	25,005	0	247,154	0	
6710	34,093		20,836		40
					41
	34,093		20,836	0	42
6720	10,619		71,989		43
					44
	10,619		71,989	0	45
6790					46
					47
			0		48
	44,712	0	92,825	0	
	0	0	0	0	
	44,712	0	92,825	0	
	154,779	12,600	1,141,089	(6,159)	
	0	0	0	0	
	154,779	12,600	1,141,089	(6,159)	

EXPENSE MATRIX - CLASS A & B (DETAIL)

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries/ Wages (d)	
Property Held for Future Tele. Use Exp. (6511)		0		1
Provisioning Expense (6512)		0		2
Total: Reported in Account 6510	0	0	0	
Depreciat. Exp.--Tele. Plant in Service (6561)	551,364	600,335		3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)		0		4
Amortization Expense--Tangible (6563)		0		5
Amortization Expense--Intangible (6564)		0		6
Amortization Expense--Other (6565)	(23,632)	(23,632)		7
Total: Reported in Account 6560	527,732	576,703		

EXPENSE MATRIX - CLASS A & B (DETAIL) (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6511					1
6512					2
	0		0	0	
6561			600,335		3
6562					4
6563					5
6564					6
6565			(23,632)		7
			576,703		

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to Department of Justice and telephone relay assessments.

Description (a)	This Year (b)	
Gross Operating Revenues	3,282,179	1
Plus: Collection of amounts previously written off	0	2
Less: Uncollectibles written off during the year	0	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Uncollectible Revenue (included in Gross Oper. Rev. on Line 1)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder, Department of Justice, and Telephone Relay Assessment Purposes	3,282,179	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	1,028,082	1
Plus: Total Intrastate Access Revenues (5084)	816,126	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus (or Less) Other (please specify): NONE	0	5
Assessable Revenues for Universal Service Fund Assessment Purposes	1,844,208	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	3,282,179	1
Plus: Collection of amounts previously written off	0	2
Less: Uncollectibles written off during the year	0	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Uncollectible Revenue (included in Gross Oper. Rev. on Line 1)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>3,282,179</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	1,028,082	1
Plus: Total Intrastate Access Revenues (5084)	816,126	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus (or Less) Other (please specify): NONE	0	5
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>1,844,208</u>	

OTHER INCOME ACCOUNTS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Income from Custom Work (7110)*	0	0	1
Return from Nonregulated Use of Regulated Facilities (7130)*	0	0	2
Gains and (Losses) from Foreign Exchange (7140)			3
Gains or (Losses) from the Disposition of Land and Artworks (7150)			4
Other Operating Gains and (Losses) (7160)*	0	0	5
TOTAL OTHER OPERATING INCOME AND (EXPENSE) (7100)*	0	0	
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*	(5,182)	(4,771)	6
Operating Federal Income Taxes (7220)*	262,975	176,991	7
Operating State and Local Income Taxes (7230)*	68,812	46,109	8
Operating Other Taxes (7240)*	198,107	178,999	9
Provision for Deferred Operating Income Taxes--Net (7250)*	34,569	59,506	10
TOTAL OPERATING TAXES (7200)*	559,281	456,834	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*	142	231	11
Interest Income (7320)*	91,975	100,207	12
Income from Sinking and Other Funds (7330)*	0	0	13
Allowance for Funds Used During Construction (7340)*	0	0	14
Gains or (Losses) from the Disposition of Certain Property (7350)*	0	0	15
Other Nonoperating Income (7360)*	0	0	16
Special Charges (7370)*	3,174	14,747	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	88,943	85,691	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*	0	0	18
Nonoperating Federal Income Taxes (7420)*	14,135	18,162	19
Nonoperating State and Local Income Taxes (7430)*	3,784	4,867	20
Nonoperating Other Taxes (7440)*	0	0	21
Provision for Deferred Nonoperating Income Taxes-Net (7450)*	2,511	0	22
TOTAL NONOPERATING TAXES (7400)*	20,430	23,029	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	197,239	193,865	23
Interest Expense--Capital Leases (7520)*	0	0	24
Amortization of Debt Issuance Expense (7530)*	692	491	25
Other Interest Deductions (7540)*	4	18	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	197,935	194,374	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*	0	0	27
Extraordinary Income Credits (7610)			28
Extraordinary Income Charges (7620)			29
Current Income Tax Effect of Extraordinary Items--Net (7630)			30
Provision for Deferred Income Tax Effect of Extraordinary Items--Net (7640)			31
TOTAL EXTRAORDINARY ITEMS (7600)*	0	0	
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)*	(5,675)	(246)	32

NONREGULATED NET INCOME (ACCT. 7990)

Particulars (a)	Amount (b)	
Revenues (Acct. 7990.1)		
Gross Sales	118,734	1
Less: Cost of Goods Sold		2
Net Sales	118,734	3
Expenses (Acct. 7990.2)	124,409	4
Nonregulated Net Income	<u>(5,675)</u>	5

List the type of nonregulated activities that company is involved in:

Leasing of customer premise equipment
Repair of customer inside wiring
Internet service

If the revenues from an individual nonregulated activity represent in excess of 5% of the total operating revenues for the company, please provide the amounts, as requested above, for that individual activity:

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	687,612	1
Nonregulated Expense	45,010	2
Plant Accounts	35,063	3
Accumulated Depreciation Accounts		4
All Other Accounts	4,838	5
Total Salaries and Wages	772,523	6

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	2.00	2.00	211,575	1
Supervision and Other Management	2.00	2.00	116,284	2
Other Employees	13.00	12.00	444,664	3
Total	17.00	16.00	772,523	

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	2.00	2.00	211,575	1
Supervision and Other Management	2.00	2.00	116,284	2
Other Employees	13.00	12.00	444,664	3
Total	17.00	16.00	772,523	

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	430	1,344	1
Extended Area Service	815	3,361	2
Extended Community Calling	53	238	3
Other Local-Undefined	164	192	4
Total Local	1,462	5,135	
TOLL			
Operator Handled: State--intraLATA			5
Operator Handled: State--interLATA			6
Operator Handled: Interstate			7
Customer Dialed: State--intraLATA			8
Customer Dialed: State--interLATA			9
Customer Dialed: Interstate			10
WATS			11
Other Toll-Undefined			12
Total Toll	0	0	
Total Local & Toll	1,462	5,135	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.					1
Feature Group A -- Term.					2
Feature Group B -- Orig.	384	349			3
Feature Group B -- Term.	425	274			4
Feature Group C -- Orig.					5
Feature Group C -- Term.					6
Feature Group D -- Orig.	4,493	2,646	2,576		7
Feature Group D -- Term.	4,383	2,153	2,478		8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	18	1
Sheath miles of plant - buried	520	2
Sheath miles of plant - fiber optics	44	3
Strand miles of plant - fiber optics	1,084	4
Route miles of plant - microwave	0	5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	17	25	1
56 kbps	10	13	2
64 kbps (DS0)	0	0	3
1.54 Mbps (DS-1)	14	17	4
45 Mbps (DS-3)	0	2	5
SONET OC-1	0	0	6
SONET OC-3	0	0	7
SONET OC-12	0	0	8
SONET OC-48	0	1	9
SONET OC-192	0	0	10

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	18	1
Sheath miles of plant - buried	520	2
Sheath miles of plant - fiber optics	44	3
Strand miles of plant - fiber optics	1,084	4
Route miles of plant - microwave	0	5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	17	25	1
56 kbps	10	13	2
64 kbps (DS0)	0	0	3
1.54 Mbps (DS-1)	14	17	4
45 Mbps (DS-3)	0	2	5
SONET OC-1	0	0	6
SONET OC-3	0	0	7
SONET OC-12	0	0	8
SONET OC-48	0	1	9
SONET OC-192	0	0	10

SERVICE DATA

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	538	539	3
2 Party	0		4
4 Party	0		5
PBX Trunks/System Trunks	31	51	6
Centrex Trunks	0		7
Centrex Lines	0		8
Key System Trunks	276	299	9
Mobile (Utility Provided Service)	0		10
Paging (Utility Provided Service)	0		11
FX-Out (Switched)	0		12
Pay Telephone	0	10	13
Coin-Operated Pay Telephone	0		14
Independent Pay Telephone Provider	0	33	15
Pay Stations - Public	8		16
- Semi-Public	33		17
- Cust. Owned	25		18
Other	0		19
Total Business Lines	911	932	20
Residential (Incl. Emp. Concess.)			
1 Party	3,708	3,845	22
2 Party	0		23
4 Party	0		24
FX-Out (Switched)	0		25
Other	0		26
Total Residential Lines	3,708	3,845	27
Total Bus & Res Lines	4,619	4,777	28
Company Used Lines	14	114	29
Total Lines Used	4,633	4,891	30

SERVICE DATA (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	3	3	3
WATS Lines - 800 Service	2		4
FX-In-intraLATA	0		5
Special Access-intraLATA			6
(expressed in equiv. access lines)	17	34,046	7
Special Access-interLATA			8
(expressed in equiv. access lines)	17	363	9
Feature Group A Lines	0		10
Feature Group B Trunks	0		11
Feature Group C Trunks	0		12
Feature Group D Trunks	144	168	13
TSPS - Trunks	12	12	14
EAS - Trunks	144	168	15
Cellular Trunks (Pub. Sw. Net.)	0		16
Video Distance Learning			17
- discounted (special tariff)	0		18
Customers			
Business - 2 Party Customers	0		19
Business - 4 Party Customers	0		20
Residential - 2 Party Customers	0		21
Residential - 4 Party Customers	0		22
Other			
Total Central Office, Info. Orig./Term., & Cable			23
Wire Fac. Assets (based on physical			24
location of plant)	9,055,165	9,500,994	25
Total Company Square Miles	214	214	26
Total Company Route Miles	537	537	27
Footnotes			28
			29
			30

SERVICE DATA - END OF YEAR

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	3540				1
Business					2
1 Party	539				3
2 Party					4
4 Party					5
PBX Trunks/System Trunks	51				6
Centrex Trunks	---CONF---				7
Centrex Lines					8
Key System Trunks	299				9
Mobile (utility provided service)					10
Paging (utility provided service)					11
FX-Out (Switched)					12
Pay Telephone	10				13
Coin-Operated Pay Telephone					14
Independent Pay Telephone Provider	33				15
Pay Stations - Public					16
- Semi-Public					17
- Cust. Owned					18
Other					19
Total Business Lines	932	0	0	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	3,845				22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
Total Residential Lines	3,845	0	0	0	27
Total Bus & Res Lines	4,777	0	0	0	28
Company Used Lines	114				29
Total Lines Used	4,891	0	0	0	30

SERVICE DATA - END OF YEAR (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	3540				1
Miscellaneous					2
WATS Lines - OutWATS	3				3
WATS Lines - 800 Service					4
FX-In-intraLATA					5
Special Access-intraLATA					6
(equiv. access lines)	34,046				7
Special Access-interLATA					8
(equiv. access lines)	363				9
Feature Group A Lines					10
Feature Group B Trunks					11
Feature Group C Trunks					12
Feature Group D Trunks	168				13
TSPS - Trunks	12				14
EAS - Trunks	168				15
Cellular Trunks (Pub. Sw. Net.)					16
Video Distance Learning					17
- discounted (special tariff)					18
Customers					19
Business - 2 Party Customers					20
Business - 4 Party Customers					21
Residential - 2 Party Customers					22
Residential - 4 Party Customers					23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	9,500,994				27
Exchange Square Miles	214				28
Exchange Route Miles	537				29
Footnotes					30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Lucent	ATT/LUC	5
Nippon Electric	NEC	6
Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

MANUFACTURER ABBREVIATIONS

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Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
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Stromberg-Carlson	SC	9
VIDAR	VI	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	MOSINEE				1
PSCW Exchange ID	3540				2
Central Office Name	MOSINEE				3
PSCW Central Office ID	1				4
Manufacturer of COE (Page 54)	NTI				5
Year COE Installed	1988				6
Type of Equipment (Page 54)	D				7
(S)tandalone, (H)ost, (R)emote	H				8
Remote Host PSCW Exchange ID					9
Remote Host PSCW Central Office ID	0				10
COE Generic Software Release No.	409.10				11
SS7?	Yes				12
9-1-1?	Yes				13
Access Lines - In Use	4,920				14
- Equipped	5,400				15
- Wired	52				16
Trunks - In Use	396				17
- Equipped	588				18
- Wired	588				19
ISDN Available?	No				20
ISDN Lines - In Use (BRI)	0				21
- In Use (PRI)	0				22
Switched 56 Service?	No				23
Switched 56 lines in use	0				24
Digital Transmission Facilities: DS-1 - In Use	40				25
DS-3 - In Use	3				26
Advanced Data Service Available:					
Packet Switching?	No				27
SMDS?	No				28
Frame Relay?	No				29
ATM (Asynchronous Trans. Mode)?	No				30
Video Information - Service Available?	No				31
- In Use (# lines) ¹	0				32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	136				33
No. of fiber strands working (LIT) in C.O.	16				34
No. of fiber strands for interoffice use	0				35
Miles of fiber sheath in wire center	44				36
Access Tandem Serving this C.O.:					
- C.O. Name	STEVENS POINT				37
- PSCW C.O. ID	5140-01				38
Does this C.O. do access tandem switching?	No				39
Equal Access: InterLATA (1+)?	Yes				40
Equal Access: IntraLATA (1+)?	No				41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES**General Footnote****Accountants Compilation Report**

To the Board of Directors
The Mosinee Telephone Company
Mosinee, Wisconsin

We have compiled the balance sheets of The Mosinee Telephone Company as of December 31, 1997 and 1996, and the related statements of income and retained earnings for the years then ended, and the statement of cash flows for the year ended December 31, 1997, included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form, except for pages 46 through 55.

Our compilation was limited to presenting in the form prescribed by the Public Service Commission of Wisconsin, information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them. These financial statements were compiled by us from financial statements for the same period that we previously audited, as indicated in our report dated, February 18, 1998.

These financial statements (including related disclosures) and the supplementary information are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from generally accepted accounting principles. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

The supplementary information contained on pages 46 through 55 of the accompanying prescribed form has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.

Kiesling Associates LLP
Madison, Wisconsin
April 21, 1998

Schedule Footnotes**Telephone Calls and Minutes of Use Per Month Footnote. Page 47**

local section revised per utility response (via Kiesling) dated 10/15/98
CR#08371 12/7/99 ele

Outside Plant Statistics at End of Year Footnote. Page 49

sheath miles of plant aerial and buried were revised by utility response
dated 10/14/98 (Kiesling), CR#08371. 12/7/99 ele

General, Schedule Level and Schedule Line Footnotes Footnote. Page 56

This footnote is not being used.

Schedule Line Footnotes

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

- A)** During 1997 the Public Service Commission of Wisconsin (PSCW) allowed for the deregulation of public payphones.
- B)** Company had additional building maintenance in 1997.
- C)** Depreciation rate given is a composite.
- D)** Increased renting of facilities in 1997.
- E)** Decrease in interstate special circuits in 1997.
- F)** Significant increase in intrastate special circuits in 1997.